

# Should I consolidate my student loans?

Consolidating student loans allows you to take multiple loans and combine them into one loan.

Bank of North Dakota (BND) wants you to compare your current student loan amounts, monthly payments, interest rates and benefits to determine if consolidating your existing student loans into a new DEAL One Loan is the right financial decision for you.

Your goals	Things to consider
<b>Lower your interest rate</b>	Compare the interest rates of the DEAL One Loan to your existing loan rates. If the DEAL One Loan rate is lower, you may want to consider consolidation. This is an important first step in deciding if consolidation is right for you.
<b>Have one loan serviced by BND</b>	<p>If you make payments to more than one lender, you may want to consider consolidation. Some of your loans may already have a low, fixed interest rate or special incentives. You may not want to include those loans.</p> <p>If you include federal loans, they are paid off and replaced with a new DEAL One Loan. If you choose to include federal loans you may lose benefits. Carefully review <b>Federal Student Loan Benefits</b> prior to making your decision.</p>
<b>Lower your monthly payment with a variable interest rate</b>	<p>The variable interest rate on a DEAL One Loan can change every three months, can increase up to 1% annually and has a lifetime maximum interest rate of 10%.</p> <p>Your monthly payment amount may change. Currently the variable rate is very low; your payment amount will likely increase in the future.</p>

<b>Lower your monthly payment with a longer repayment term</b>	<p>Extending the length of time you take to repay your student loans will result in a lower monthly payment amount.</p> <p>Since you are taking more time to repay your loan, you will pay more interest over the life of the loan.</p>
<b>Keep your interest rate and monthly payment amount the same with a fixed interest rate</b>	<p>By choosing a fixed rate, your interest rate stays the same until your loan is paid in full.</p> <p>As long as you make your payments as scheduled, the amount you pay each month will also stay the same.</p>
<b>Pay off your student loans more quickly</b>	<p>BND encourages borrowers to repay their loans as quickly as possible. There are no penalties for paying your loan off early.</p> <p>Make larger payments occasionally or set up an automatic monthly payment to regularly pay more than your required amount.</p>
<b>Save time and money</b>	<p>Sign up for automatic payments. You lower your interest rate by an additional .25% and avoid late fees. On-time, regular payments also help build a positive credit rating! <b>Sign up for Automatic Payments today!</b></p>
<b>Have a loan without a cosigner</b>	<p>Information provided by a consumer reporting agency will be used to determine if you meet BND's credit criteria. You will be notified if a cosigner is required. You can decide at that time if you would like to proceed with the loan process.</p>
<b>Include other types of debt (car loan or credit card, etc.)</b>	<p>The DEAL One Loan is only available for student loans. You should visit with your local lender to review options for other types of loans.</p>



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